CRYPTO-TAX REPORTING - RELOADED

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THE INTERNATIONAL CRYPTO-TAX REPORTING FRAMEWORK

a. OECD's Crypto Asset Reporting Framework (CARF)

- concluded in October 2022
- introducing global tax reporting standards for specified crypto-asset service providers (CASPs)
- user transactions are reported annually on an aggregate basis by type of crypto-asset and distinguishing between outward and inward transactions

b. EU's 8th Amendment to the Directive on Administrative Cooperation (DAC8)

- adopted in September 2023
- builds on key definitions of MiCA and the Transfer of Funds-Regulation (TFR)
- transposition of CARF rules in the EU, with specific amendments
- Start of First Reporting Cycle: 1. January 2027

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MAIN GOALS AND PRACTICAL IMPLICATIONS

a. Increased Tax Transparency?

- reporting obligations target not only individuals but also service providers
- a system of checks and balances is established

b. Limited Scope?

- a large part of transactions is not covered (P2P, Defi-Services etc)
- **BUT**: Providers of Fiat On-and-Off-Ramp are affected

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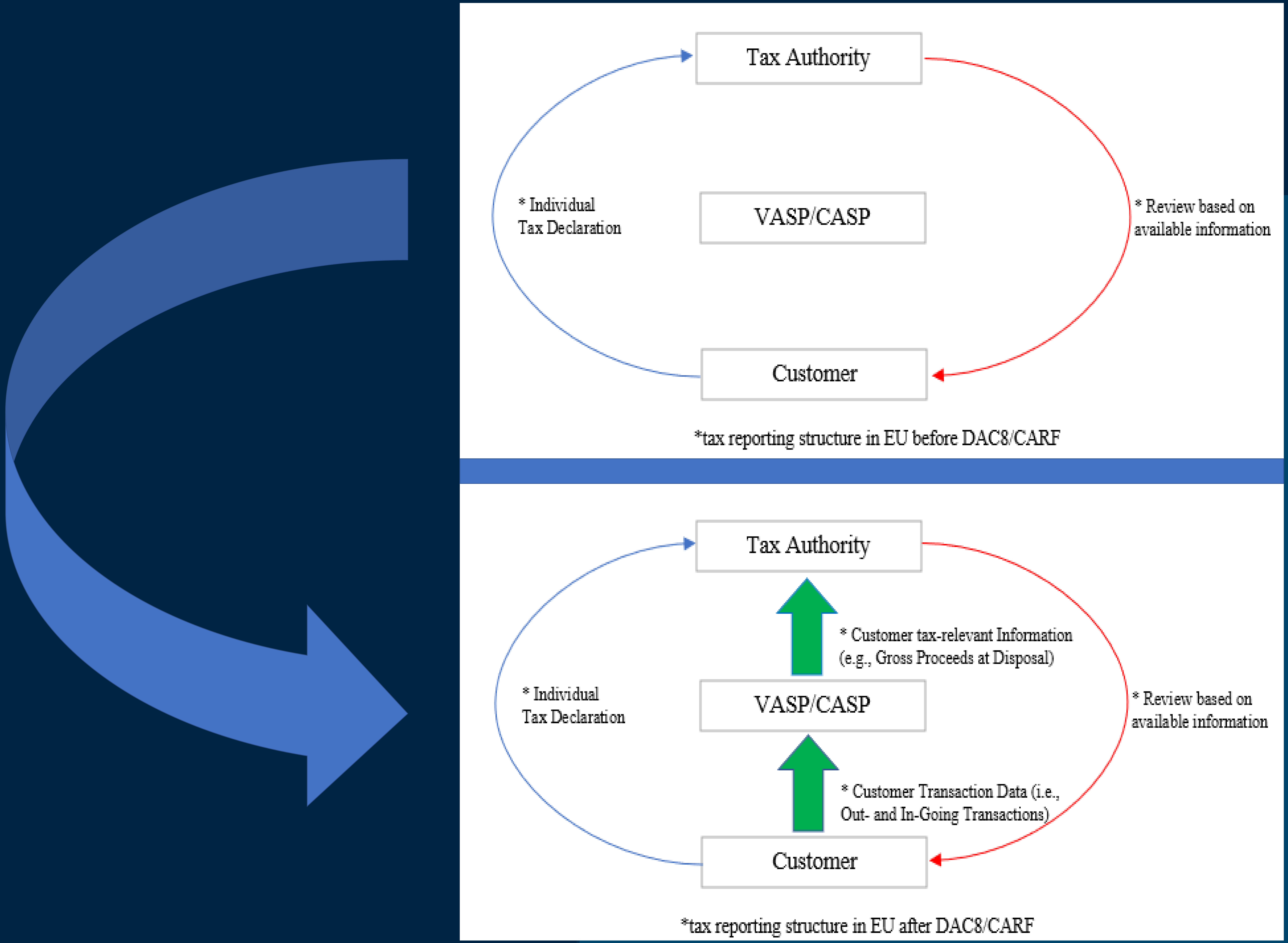
Increased Tax Transparency through 'System of Checks & Balances'



MAIN GOALS AND PRACTICAL IMPLICATIONS

Monitoring and Tracing

- gathered information will also allow conclusions to be drawn about the past
- Authorities are working on implementing technical solutions for tax audits
- overall, tracing possibilities are still limited, but significantly improving as we speak

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KEY TAKE-AWAYS

- CARF/DAC8 will change the legal landscape in regards to crypto-taxation
- Tax Transparency might increase and, consequently, also authorities’ tracing abilities
- Reporting rules will not affect de-facto taxation (ie. no “single tax regime” in sight)

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